



**DEPARTMENT OF THE NAVY**  
NAVAL FACILITIES ENGINEERING COMMAND  
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IN REPLY REFER TO  
ACQ 021  
13 Oct 00

MEMORANDUM FOR NAVFAC ACQUISITION PERSONNEL

Subj: DRAFT FALL 2000 VERSION OF NAVY ACQUISITION PROCEDURES  
SUPPLEMENT (NAPS) (00-44)

Encl: (1) OASN (RD&A) ABM memo of 29 Sep 00

1. Enclosure (1) is furnished for your information.

A handwritten signature in black ink, appearing to read "Michael F. Howard", is positioned above the printed name.

MICHAEL F. HOWARD  
Director, Acquisition Strategic Programs



DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
RESEARCH, DEVELOPMENT AND ACQUISITION  
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SEP 29 2000


MEMORANDUM FOR DISTRIBUTION

Subj: NAVY ACQUISITION PROCEDURES SUPPLEMENT (NAPS) -  
DRAFT FALL 2000 VERSION

Encl: (1) Highlights of proposed NAPS changes

It has been just over three years since the last time the NAPS was re-issued in its entirety. We are planning on a Fall 2000 re-issue, and have placed the current draft version on our home page at <http://www.abm.rda.hq.navy.mil>. Some of the highlights of the changes are listed in enclosure (1). Please ask your acquisition/contracting staffs to review the draft and submit any comments or recommendations by October 25, 2000. We are particularly interested in identifying areas where either existing coverage is considered unnecessary, or additional coverage would be beneficial.

Anyone with problems accessing the document there may obtain it via return e-mail by contacting Mr. Pete Chase - by e-mail at [Chase.Peter@hq.navy.mil](mailto:Chase.Peter@hq.navy.mil), by phone at (703)602-2501 or by fax at (703)602-2117.

  
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## **SUMMARY OF SIGNIFICANT CHANGES**

### **Item 1 – PROCUREMENT INTEGRITY**

Section 5203.104-10 is revised to implement the requirement at FAR 3.104-10(f) that the head of the agency be notified in accordance with agency procedures before authorizing contract award or execution of a contract modification based on urgent and compelling circumstances. The revised coverage requires the agency head notification to be submitted to ABM. In addition, the HCA or designee must verify the agency head's receipt of the notification. (5203.104-10(f))

### **Item 2 – ACQUISITION PLANNING**

Section 5207.103 is amended to designate HCAs as being responsible for prescribing procedures for the review and approval of acquisitions plans and revisions to those plans. (5207.103(h))

### **Item 3 – INHERENTLY GOVERNMENTAL FUNCTIONS**

A new Section 5207.503 is added to designate the Chief of the Contracting Office (CCO) as the individual responsible for resolving disagreements regarding a requiring official's written determination that none of the functions to be performed under a proposed contract are inherently governmental. (5207.503(e))

### **Item 4 – DEBARMENT AND SUSPENSION**

Section 5209.406-3 is amended to eliminate the reference to contracting officer's reports based on DFARS Change Notice 19991118. This Change Notice revised DFARS 5209.406-3 to provide that any person (not just a contracting officer) may refer a matter to the debarring and suspending official. (5209.406-3(a)(i))

### **Item 5 – UNSOLICITED PROPOSALS**

A new Subpart 5215.6 and Section 5215.606 are added to designate HCAs as being responsible for establishing contact points and procedures for controlling the receipt, evaluation, and timely disposition of unsolicited proposals. (5215.606(a) and (b))

### **Item 6 – ECONOMY ACT**

A new Subpart 5217.5 and Section 5217.503 are added to establish Navy-wide policy and procedures for the processing of interagency acquisitions under the Economy Act. This coverage supersedes all previous ABM correspondence concerning the Economy Act.

## **Item 7 – FOREIGN ACQUISITION**

Several new sections are added under Subpart 5225.70 to implement various DFARS sections pertaining to the processing of waivers and certifications for statutory restrictions on foreign acquisition.

## **Item 8 - BONDS AND INSURANCE**

Sections 5228.106 and 5228.308 are removed since the submission of questions and requests for guidance to ABM regarding bonds, and the referral of matters to ABM concerning self-insurance should be limited to those circumstances where no other assistance is available.

In addition, the current Subsection 5228.301(91), "Payment of claims to third parties." is removed. This subsection provides for the submission of information to ABM for a determination as to whether the Government has assumed liability for a claim and if so, the amount to be paid. Although an ABM determination is no longer required, a new Subsection 5228.301-90 is added to provide that ABM be informed of any suit or action filed or any claim made against the contractor in excess of \$100,000.

## **Item 9 - PROTESTS**

A new Section 5233.103 is added to designate HCAs as being responsible for establishing procedures for handling requests made by interested parties for an independent review of their protest at a level above the contracting officer. This new coverage also incorporates current policy and procedures set forth in ABM memorandum dated August 13, 1996, subject: "FAR 33.103; Protests to the Agency." (5233.103(d)(4) and (f))

## **Item 10 - INDEMNIFICATION AGAINST UNUSUALLY HAZARDOUS RISKS**

A new Subsection 5235.070-90 is added to require that the contracting officer immediately inform ABM upon receipt of notification from the contractor of any occurrence, action, or claim in excess of \$100,000 that might trigger the Government's liability under the DFARS clause 252.235-7000, "Indemnification Under 10 U.S.C. 2354--Fixed Price" or 252.235-7001, "Indemnification Under 10 U.S.C. 2354--Cost Reimbursement."

## **Item 11 - RESEARCH AND DEVELOPMENT STREAMLINED CONTRACTING PROCEDURES**

A new Subpart 5235.70 and Section 5235.7003 are added to designate the Chief of the Contracting Officer (CCO) as the individual responsible for establishing procedures for authorizing the use of FAR and DFARS provisions and clauses, and nonstandard provisions and clauses that are not in the research and development streamlined

solicitation/contract (RDSS/C) standard format published at the RDSS/C website.  
(5235.7003-4)

#### **Item 12 - VALUE ENGINEERING**

A new Section 5248.103 is added to designate the HCA as the individual responsible for establishing procedures for processing and evaluating Value Engineering Change Proposals (VECPs). (5248.103(a))

#### **Item 13 - INDEMNIFICATION UNDER PUBLIC LAW 85-804**

A new Subsection 5250.403-2 is added to require that the contracting officer immediately inform ABM upon receipt of notification from the contractor of any claim or action against, or any loss by, the contractor or any subcontractors in excess of \$100,000 that may reasonably be expected to involve indemnification under the FAR clause 52.250-1, "Indemnification Under Public Law 85-804." (5250.403-90)